

complaint

Mr D complains that Liverpool Victoria Insurance Company Limited (LV) incorrectly cancelled his motor insurance policy.

background

Mr D took out insurance through LV. It asked for proof of his no claims discount. It sent Mr D a letter saying that unless it received proof within seven days it was going to cancel the policy. And this is what LV did after the period, as it said it hadn't received proof.

Mr D complained and pointed out that he'd sent proof by email. LV checked and found the email explaining that Mr D had quoted the wrong policy number in the subject heading and that was why it had been missed. LV reinstated the policy so that there was no gap or break in the insured period. And it paid him £30 compensation as a gesture of goodwill.

Mr D wasn't happy and asked us to look into things. The adjudicator didn't think LV needed to do any more than it had. She explained that it was the mistake in quoting an incorrect number led to the problem but LV had put things right as soon as it realised Mr D had sent in the proof.

Mr D didn't agree saying that he'd been driving his family around uninsured for about 10 days. He said, amongst other things, that if he'd been involved in an accident and killed, LV wouldn't have looked after his family or anyone else hurt as he wasn't insured. Mr D asked for an ombudsman to look at his complaint.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

While Mr D sent proof of no claims discount before LV's deadline I don't think LV needs to do any more than it has already. I'll explain why.

I've seen a copy of the email that Mr D sent LV and he quoted the wrong policy number. As a result this wasn't picked up and cross referenced to find the correct policy. But when he contacted LV around 10 days later his policy was reinstated on the basis of there being no break in cover.

Sometimes things go wrong as they did here, but LV accepted Mr D had sent in proof and reinstated his policy. This means that had any incident arisen in the short period after cancellation to reinstatement LV would have confirmed Mr D had valid insurance. In the worst case scenario that Mr D mentions LV would have been on record as being the insurer and so had legal responsibilities under road traffic legislation. So while I appreciate Mr D was concerned when he learnt his policy was cancelled, and he was worried about a hypothetical situation, it was for a few days only. And importantly, nothing had happened in that time. LV paid £30 compensation and I think that was a reasonable amount in the circumstances.

In all the circumstances of Mr D's complaint I think LV acted fairly and reasonably to put things right after it learnt something had gone wrong.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 11 April 2016.

Sean Hamilton
ombudsman